



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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**File #:** 17-1009, **Version:** 1

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### **TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 5, 2017**

#### COMMITTEE ON JUDICIARY

Mr. David St. Pierre, Executive Director

Authority to settle Alpha Baking Company, Inc.'s 2015 User Charge liability in the total amount of \$25,959.00, with a waiver of interest in the amount of \$2,030.47, Board Appeal No. 17B-002

Dear Sir:

The Metropolitan Water Reclamation District of Greater Chicago ("District") and Alpha Baking Company, Inc. ("Alpha Baking") have reached a settlement of Board Appeal No. 17B-002 arising out of Alpha Baking's 2015 User Charge liability, thereby eliminating the need for a formal hearing before the District's Board of Commissioners ("Board").

The District's original determination of Alpha Baking's 2015 Net User Charge ("NUC"), based on the District's sampling data and Alpha Baking's data, was \$122,614.86. Alpha Baking appealed its 2015 NUC assessment to the District's Director of Monitoring and Research ("Director" and "M&R") by a letter dated November 11, 2016.

The Director considered information provided by Alpha Baking demonstrating that water-to-product losses and the installation of a new production line reduced the flow volume for the year. Based on that information, the Director determined that Alpha Baking's Total NUC liability should be reduced to \$57,280.00.

Alpha Baking subsequently appealed the Director's Determination of \$57,280.00 to the District's Board on March 14, 2017. The Board granted Alpha Baking's request for an appeal by virtue of a Board Order dated April 6, 2017.

The District and Alpha Baking have subsequently agreed to accept \$25,959.00 as Alpha Baking's Total NUC liability for 2015, with a waiver of interest in the amount of \$2,030.47. The reduced amount is supported by additional information obtained over the course of the appeal proceedings before the Hearing Officer which demonstrated a significantly reduced flow volume, including the following: production records; pounds of product produced; daily water-to-product losses; daily hours of operation; subsequent District inspections; and manufacturer specifications for proofing equipment. Based on this information, the total NUC was able to be recomputed using a revised wastewater flow measurement methodology that was acceptable to the District.

M&R has approved the settlement and the Hearing Officer retained by the Board to adjudicate this matter, James J. Caronis, has also approved the settlement on these terms.

Therefore, the Acting General Counsel respectfully requests that the Board of Commissioners approve the settlement of Alpha Baking's 2015 Net User Charge liability in the total amount of \$25,959.00, with a waiver of interest in the amount of \$2,030.47, and for authority to execute such documents as may be necessary to

effect same.

Requested, Susan T. Morakalis, Acting General Counsel, STM:LLD:JJZ:BJD:nm  
Respectfully Submitted, Mariyana T. Spyropoulos, Chairman Committee on Judiciary  
Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for October 5, 2017